



## *Education Committee*

February 26, 2018

The Connecticut Conference of Municipalities (CCM) is Connecticut's statewide association of towns and cities and the voice of local government - your partners in governing Connecticut. Our members represent over 96% of Connecticut's population. We appreciate the opportunity to testify on bills of interest to towns and cities.

**HB 5171      An Act Prohibiting The Executive Branch From Making Rescissions Or Other Reductions To The Education Cost Sharing Grant During the Fiscal Year**

**SB 8          An Act Implementing The Governor's Budget Recommendations Concerning Education.**

Good afternoon, Co-chairs Fleischman, Slossberg and Boucher, Ranking Member Lavielle and distinguished members of the Education Committee. My name is Mike Criss, I am the First Selectman of Harwinton and I am presenting testimony today on behalf of CCM.

- CCM **supports** HB 5171
- CCM **opposes** SB 8

**CCM opposes SB 8 as we believe the changes it would make to the distribution of education aid are fundamentally unfair.**

The changes outlined in SB 8 would further reinforce a system of distributing education aid in a way that picks winners and losers while forcing towns and cities to add an additional burden to their already overwhelmed property tax base. Forcing towns and cities to rely more heavily on the local property tax to fund education exacerbates the inherent inequity in an overreliance on the property tax as a means to fund education.

Municipalities have no choice but to cut back on other municipal services and raise property taxes as they struggle to absorb reductions in education aid while meeting the requirements of burdensome underfunded and unfunded mandates, including the minimum budget requirement.

**SB 8 is not a viable long-term solution to any of the issues the state is facing with respect to education funding.** The issues the state is facing with respect to education funding are complex and multifaceted. Therefore, they must be addressed with a multifaceted approach that contains cost containment tools for municipalities, the ability to diversify revenue sources at the local level and meaningful mandate relief.

CCM **supports HB 5171** as it would prohibit the Executive Branch from making rescissions or other reductions to the education equalization aid grant, including unspecified lapses and holdbacks. This would help provide increased stability and predictability in local education budgets.

Education is the largest single item in municipal budgets. In some towns it is as much as 80% of the total budget. Rising education costs coupled with reductions in education aid place additional pressure on municipalities to generate additional revenue through its only source, the local property tax.

Midyear cuts to municipal education aid are devastating. They create budgetary shortfalls that towns and cities have to scramble to address and punish towns and cities that have been fiscally responsible and made the tough decisions to ensure they have set a balanced budget by July 1. Harwinton will have to absorb a midyear cut of \$218,983 as a result of the most recent holdbacks. While all towns and cities are impacted differently by reductions in education aid, citizens in every municipality suffer when the State forces them to increase regressive local property taxes or cut services in order to subsidize budgetary shortfalls due to reductions in municipal education aid.

**CCM urges the Committee to favorably report on HB 5171.**

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If you have any questions, please contact Daniel C. Giungi, Senior Legislative Associate for CCM, at [dgiungi@ccm-ct.org](mailto:dgiungi@ccm-ct.org) or (203) 498-3023.